Utah Department of Health

News Release

For Immediate Release:
Wednesday, September 24, 2008
Media Contact:
Mark Gaskill, MFT
All-Payer Database Program Manager
(o) 801-538-6482 (m) 801-949-2803

UDOH Gets New Tools to Uncover 'Real' Health Care Costs

(Salt Lake City, UT) – In a move to further health system reform, the Utah Department of Health (UDOH) Health Data Committee (HDC) has selected new software that will capture significantly more health care data than ever before. The software will support an all claims database that will aid in the analysis of information on visits to clinics, doctors' offices and urgent care centers. Previously, UDOH was able to gather only data generated through hospital, ambulatory surgery center and emergency department visits.

"Our current health system has been broken by government regulation, archaic, complicated payment systems, and a lack of transparency regarding cost and quality," said, Rep. David Clark (R-Santa Clara), co-chair of the Health System Reform Task Force. "The all claims database will play an important role by providing consumers, business owners, and policymakers with the tools to make wise decisions," he added.

The database, supported with software from 3M Health Information Systems and Care Advantage, Inc., will be a rich source of information necessary for system reform. It is the first in the country to propose analyzing entire episodes of care derived from statewide health insurance claims. An episode of care is defined as a complete course of care from the initial diagnosis through treatment and follow-up.

For example, in the context of maternity, the episode of care would begin with the first prenatal visit and include all other visits, pharmacy claims, lab tests, special procedures, delivery and postpartum care of the mother.

"By examining an episode of care from start to finish, the 'real' costs of care can be compared, rather than the costs of the individual components, such as delivery alone," said Keely Cofrin Allen, Ph.D., Director, Office of Health Care Statistics and Executive

– MORE –

Secretary of the Health Data Committee.

"Understanding the true cost of health care is critical for reform to move forward," said Health Care Reform Task Force member Rep. David Litvack (D-Salt Lake). "Without it, it will be difficult to hold all stake holders, including consumers, accountable for better health outcomes and greater participation in health care decision making."

Episode of care analysis will help uncover how limitations in access to health care may impact costs. For example, health professionals have long stressed the importance of prenatal care for healthy outcomes for both mother and baby. An analysis based on episodes of care would allow UDOH to compare the cost of caring for newborns whose mothers had limited or no prenatal care with those for newborns whose mothers had the recommended number of prenatal visits.

Similarly, episode of care analysis for people with diabetes could describe the cost savings associated with appropriate preventive care.

The Health Data Committee is a governor-appointed statutory committee formed in 1990 by the Health Data Authority Act. The UHDC was given the responsibility and authority to collect, analyze and report health care data in order to improve the cost effectiveness, quality, and accessibility of health care in Utah. The all claims database will help the committee identify new opportunities for promoting health care transparency, improving quality, controlling costs, and informing health care consumers and policymakers.

The committee is planning a pilot study using data from the all claims database and episode of care grouper. The pilot project should be underway by year's end and the database fully operational in spring 2009.

For more information contact Mark Gaskill at 801-538-6482 or 801-949-2803 or MGaskill@utah.gov.

# # #

The mission of the Utah Department of Health is to protect the public's health through preventing avoidable illness, injury, disability and premature death, assuring access to affordable, quality health care, and promoting healthy lifestyles.